

13 FEB 1984

SUPPLEMENTAL RETIREMENT - FEBRUARY 1984

WHAT DO WE DO NOW?

BACKGROUND:

Based upon our recent experience with the Social Security Act Amendments, in 1983, specifically :

- Our inability to perceive the issues and threats to the Agency in a timely manner;
- Our inability to get anyone on the Hill to listen to the equity of our pleas (because no one, or at best, too few, understood our legitimate equities); and
- Our failure to understand the legislative process and therefore our failure to impact the legislation in away favorable to us,

AND

Based upon existing law that requires the Congress to enact supplemental retirement legislation by 31 December 1985 that:

- Will impact Agency employees hired 1 January 1984 and after;
- May impact Agency employees already on board by 31 December 1983; and
- May require the enactment of new statutory authority for a CIARDS-like program for qualifying employees hired 1 January 1984 or after,

WHAT DO WE DO AND WHEN DO WE DO IT?

CURRENT REPORTING:

- Sen Ted Stevens (R,AL), through his Governmental Affairs subcommittee, is singularly moving this issue in the Senate, vice a more fragmented leadership approach to the legislation in the House;

- Senator Stevens will have made all necessary policy decisions before the Senate recesses for the Republican Convention in early August;
- The Senate is some five months ahead of the House in its efforts to grapple with and introduce legislation;
- If the Agency chooses to work with Senator Stevens and his subcommittee, we must start to do so very quickly, or our opportunity to do so will have passed by;
- My instinct is that the Senate will be more willing to work with us than the House, because:
 - its effort is more concentrated; and
 - the SSCI will be easier to work with than the HPSCI;
- A defined benefits plan, more austere than the present Civil Service Retirement Plan, will be introduced in both houses of Congress;
- The Administration will vigorously oppose any supplemental retirement legislation that is not significantly less expensive than the present Civil Service Retirement System; and
- As a result of expected Administration austerity moves, reenacting CIARDS in a Social Security environment without any benefit reductions is at best a 50/50 proposition today, and will get more difficult as time goes by.

WE ARE LEFT WITH AT LEAST THE FOLLOWING:

CURRENT ISSUES:

How long can the Agency wait before determining:

- What are our supplemental retirement needs for:
 - CIARDS-type employees; and
 - Civil Service Retirement System-type employees
- What our plans will be to obtain, in legislation, supplemental retirement plan(s) that satisfy our needs. We need plans that will address both the Executive Branch and the Congress.

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